

## SAINT RAPHAEL'S HOSPICE

### MINUTES OF THE 8th MEETING OF THE FINANCE AND RESOURCES SUB-COMMITTEE Held on Wednesday 18<sup>th</sup> December 2019 in St Bede's Conference Centre

**Members:** Mr Joe Ryan (JR)– Chair  
Mr Alan Cogbill (AC)

**In Attendance:** Mr Nick Stevens – Director of Finance and Resources (NS)  
Mr Mike Roycroft – Chief Executive Officer  
Mr Ed Cook (EC) – DoC  
Mrs Neena Vadgama – Finance Manager (NV)  
Mr Alex Rudkin – Quality Development Manager & Minutes (AR)

#### ITEM 1: Apologies for Absence / Chair's Address

- 1.1 Apologies had been received from Mr Paul Holmes (PH).
- 1.2 JR reflected that an additional recruit to this sub-committee was still required. He will make approach to Sr Kathleen O'Reilly. AR to provide contact e-mail.

08/01 JR  
08/02 AR

#### ITEM 2: Review of Minutes and Matters Arising from 21<sup>st</sup> August 2019 meeting

- 2.1 The minutes of the meeting held on 21<sup>st</sup> August 2019 were accepted noting that:-
- 07/01 : The forecasting tool for the Business Plan had been updated with the new coding utilised within SAGE accounting software.
  - 07/02 : Invitation to S-JW to attend this meeting has not been extended yet. The interplay between the sub-committees remains to be worked out fully. Responding to EC's question, MJR confirmed that all Advisory Committee members see the minutes of all sub-committees. NS advised that a monthly management report will keep under review the key performance indicators. EC remarked how quarterly reporting would service the KPI progress.
  - 07/03 : AR advised the [Hospice Gift Aid policy](#) does refer to the target of regular quarterly claims. NS stated that Michael Jelly (fundraising) was nearly at the point of effecting quarterly claiming as routine. Gift aid payment is usually received within 3 weeks of claim.
  - 07/04 : Raynes Park shop performance has not improved. A month has elapsed since refurbishment and its management has changed; yet the decline continues. NS advised that there is no reason to suspect that it shouldn't bounce back. EC suggested rotating successful managers across the Shops that are struggling. NS advised that he had a meeting with the Head of Retail and S-JW to discuss next steps. MJR advised that a stock controller had been employed to improve stock management across the Shops.
  - 3.14 : A new member of the IT support team has been recruited.

08/03 NS

08/04 NS

08/05 NS

- 07/05 : NS circulated a draft KPI paper that services measurement of the deliverables from the Business Plan and remarked that there has been a little progress in its construct. Its elements will feed the monthly management report on the progress toward the KPIs with visual representation. Recruiting more Shop volunteers remains an imperative. He explained the 2020 original Shops' margin and forecasting a loss in 2020.
- 4.2 : Funds have been deposited to the new Charity Bank Account and spending from it has begun.

### **ITEM 3: Director of Finance and Resources Report**

- 3.1 NS advised that HR is managed by Kelly Channer and the HR Sub-committee Chair is PH.
- 3.2 MJR advised that advert for post of Clinical Director will go out in the New Year. The position for Lead Nurse with responsibility for Clinical Governance is currently being advertised. The medical team's 'Palliative Care Consultants' job descriptions have been sent to the RCoP for approval. They will also provide a representative to sit on the respective interview panel(s). Hope remains that the consultant positions may have shared roles with St Helier Hospital.
- 3.3 Responding to JR's question, MJR advised that he doesn't expect any positive financial benefit to the Hospice following the recent election. He hopes that the proportional annual uplift remains.
- 3.4 NS advised that the £1.17m shortfall for the 8 months to 30-Nov-2019 isn't unexpected. Legacy income is down. NV has reviewed advice received from solicitors and there is about £2m in the 'uncertain' pipeline. Once probate has been granted then legacy income can then be included in the Hospice Accounts. NV is appraising the feasibility of the legacy income pipeline information being suitable to predictive modelling.
- 3.5 Responding to AR's question, NS advised that the PR communications at the time of the Hospice's 'Independence' launch will be very important and embracing of the fact that SRH is there for everyone in its community and that one day individuals and their families may need us. The PR and Communications Plan is to be discussed outside this meeting. MJR stated that more help was required on the Communications Strategy alongside input from local PR firm(s) about what works locally. It is very important.
- 3.6 NS advised that 2 new staff members will be joining the Fundraising Department. He highlighted the forecast 2019-20 graph (top of pg 4) and how the cumulative effect of legacy shortfall and other fundraising income being below budget (net of costs) alongside the delay of fundraising initiatives feels like an issue. The cash position will be too close to the wire for the recommended cash levels - £2m rather than the recommended and previously modelled £3m-3.5m. EC pointed out that the £3.6m will be made available come the 31<sup>st</sup> March 2020 and that will cover losses over the initial plan period. The other £2.7m will come into play

08/06 MJR/NS

eventually but will not be released now. He re-stated the DoC position that the DoC want the independent SRH to succeed but if its independent future cannot be shown to be sustainable then the £2.7m will be required to support an alternative future. MJR expressed how the due diligence advice received advocates for greater assurance over the £2.7m. AC stated that the cash position forecast flattens, but at a level that makes it uncomfortable by around March 2023. It settles to a cash level around £1.1m - £1.3m below the original. MJR expressed how a record needs to be made about the respective declared positions because of the due diligence recommendations about cash reserves. EC stated that provided the Plan shapes right in its first 3 year period then SRH may call against the £2.7m contingency fund. EC remarked how in the past the DoC have made annual contributions to fund specific new projects when called upon. MJR stated that such contributions had felt more like they were covering annual shortfalls. NS advised that if the £2.7 became a pledge then it would provide the certainty that would appease the due diligence advice received. EC reiterated the position at 3 years and that if the Plan is working then the £2.7m will be put in. The £2.7m is a designated fund within the DoC accounts. If it were to become restricted then it would be more reassuring to the new SRH Trustees. NS explained that the cash position confidence level required by the new Trustees needs to be at £3m. MJR stated that if we are struggling to understand the position now about future funds then it will be even more difficult as time goes on and, potentially, people involved change. EC remarked how he will need to review NS's papers more fully in order to accept the position stated. The legal advice received by the new Trustees calls for attaining a more reliable commercial agreement over the contingency funds. EC questioned whether a re-drafting of the letter of comfort that sets out review after 3 years against the Plan, shortfall on level of cash reserves and availability of the £2.7m would suffice. NS distributed his Note on Cash Flow Forecast document that was then reviewed. If the letter of comfort is revised accordingly then EC believes that it can then be factored into future cash projection modelling. He will discuss the matter further with Sr VH and look at re-drafting the letter of comfort. He will require a re-drafted Business Plan for agreement in March 2020. On the back of the re-drafted Business Plan further focus will be placed on its KPIs. An ideas sheet for KPIs was circulated.

08/07 EC

3.7 Responding to EC's question, NS confirmed that the Ewell Shop had been closed and the 3 months lease remaining will not be renewed. EC commented upon how looking at the future independence, Shop leases can be tricky and it would be better if they were reassigned to the new Charity. NS will action and the DoC will fund the process.

08/08 (NS)

3.8 NS explained that his role will be changing when he becomes joint CEO with Gail Linehan from 1<sup>st</sup> April 2020 and that NV will have greater involvement in budgeting and its monitoring. There are no plans to recruit additional Finance personnel. JR expressed his concern that NV already had a role that demanded too much. EC highlighted the 1.6 full-time equivalent (fte) joint CEO position effective from 1<sup>st</sup> April 2020 that replaces the 2.0fte CEO and Finance Director. The 1fte Clinical Director once recruited will effectively replace the 1fte Director of Care position. Until the Clinical Director takes up position in 2020, from 1<sup>st</sup>

April, there will be reliance upon NS and GL servicing what have been 3+ fte roles (CEO, Finance Director, Director of Care and Medical Director (managerial)) hitherto. It was noted that capacity would need to be watched carefully.

- 3.9 AC stated that attention needed to be drawn to the senior staff positions and communications. A health check of its working for effectiveness and staff well-being needed to be kept under review.
- 3.10 NS advised that the cost of the f/t agency palliative care consultant is c £300k pa. Responding to EC's question, he advised that the consultant positions probably won't be recruited to until June 2020.

#### **ITEM 4: Any Other Business**

- 4.1 AC extended apology for 19<sup>th</sup> February 2020's meeting.

#### **ITEM 5: Future Dates**

- 5.1 Dates of future Finance & Resources Sub-Committee meetings were agreed as per agenda.

| <b>Event</b>          | <b>Date</b>     | <b>Start</b> | <b>End</b> | <b>Room</b> |
|-----------------------|-----------------|--------------|------------|-------------|
| Sub-Committee Meeting | Wed 19 Feb 2020 | 14:00        | 16:00      | 2           |
| Sub-Committee Meeting | Wed 22 Apr 2020 | 14:00        | 16:00      | 2           |
| Sub-Committee Meeting | Wed 17 Jun 2020 | 14:00        | 16:00      | 2           |

## Item 09

# Finance and Resources Director's Report

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### Aim

1. To update The Finance and Resources Sub-Committee members on the finance and resources of St Raphael's Hospice at 31<sup>st</sup> January 2020.

### Recommendations

2. It is recommended that the Sub-Committee:
  - a. Notes that the management accounts shortfall of £(1,150,432) for the ten months to 31<sup>st</sup> January 2020 which is £73k worse than the budget shortfall of £(1,077,154) excluding the grant from DoC.
  - b. January included donations of £192k which is the best single month recorded since October 2015. There was also legacy income of £135k.
  - c. Notes that income for the year to date is £587k below plan and costs are £513k below plan.

## Report

### Finance

3. January Accounts

The January 2020 management account summary and balance sheet/cash movement summary are attached.

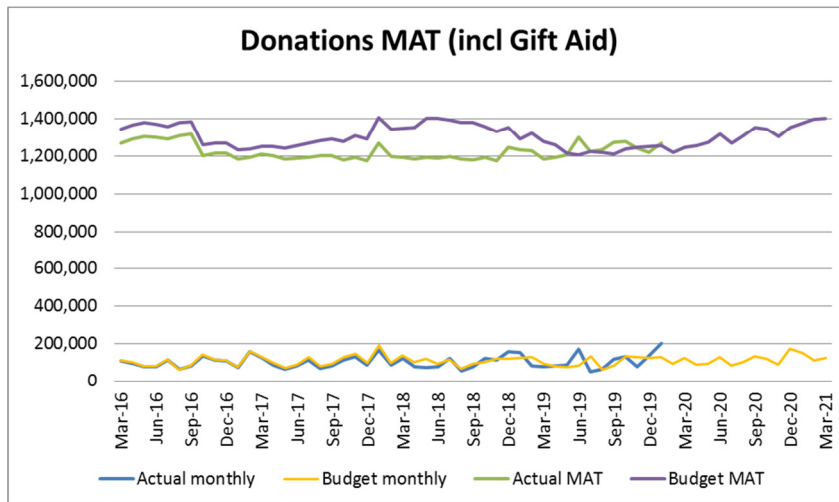
A shortfall of £1.15m has arisen in the first 10 months which is £73k worse than the plan once the DoC grant is excluded (it having been assumed in the budget as a June income).

The key variances to the budget include:

- The direct net cost of running the hospice activity (including support costs) is £320k *below* the budget at £2.39m (prior year £2.30m).
- Legacy income is standing at only £397k which is £438k below budget (and £493k below last year). This figure is not in our control.
- The net effect of all other fundraising activity is £44k above budget but £89k below last year at the same point.

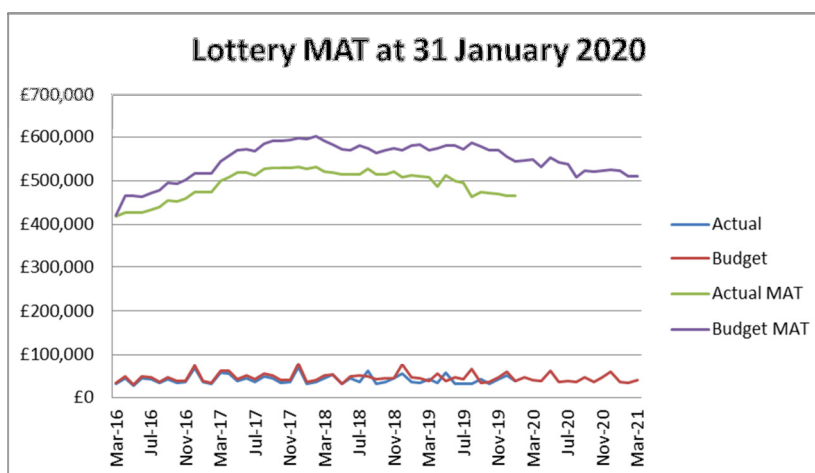
A detailed summary is included in the finance papers and includes some notes.

January was a great month for **donation income** with £192k raised including £75k from the Harris Trust (as in previous years) and £14k from the Hussey Foundation for the Toyota Yaris. This total is the best in a single month since October 2015. The total is £1,112k which is in line with the budget of £1,114k but this has been achieved without all the additional staffing planned (prior year £1,028k).



In the MAT graph, above, the green “actual” line (the total of the previous twelve month period) is showing just above the purple “budget” line. As we approach 2020-21 the upcoming growth in the budget is expected to arise from the additional staff who have started and who are still to be recruited.

The lottery stopped growing in March 2018 and there have been very few new recruits to the lottery during this year, whilst some existing players have not renewed. Income is £390k for the ten months, 16% below budget. The draft 2020 budget has been included in this graph and that brings the total back down to around £500k as a recovery is needed. The current level has steadied at £460k but we still need to improve from this base by around 10% in the coming year.



**Retail** income has reached £807k which is £45k below last year and £112k below budget. It has lost £35k of income (year on year) as a direct result of the time shut

for refurbishments and there have been other disruption due to staff shortages and the closure of Ewell. The Shops MAT graph is attached and currently does not show growth related to Epos or refurbishment projects. A management review will be undertaken in March by Skyline Business Services, a specialist in the field.

The **balance sheet** summary shows that Fixed Assets at £4.27m which is £205k below the plan. The plan had assumed that all fixed asset costs would be incurred in the first half and in practice a number of these will have slipped into 2020-21.

Cash stood at £2,283k which is £285k above the plan (excluding the £3.6m grant).

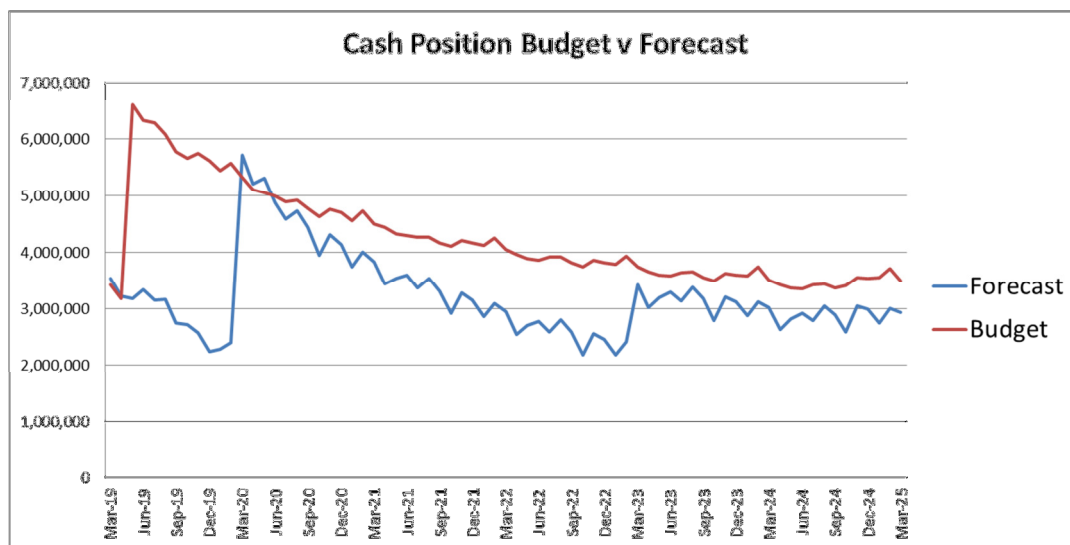
Net assets totalled £6.63m from £7.78m at the year end, following the shortfall of £1.15m for the period.

#### 4. Forecast 2019-20

The forecast is for a shortfall of £1.58m before DoC grant compared to a budget shortfall of £1.35m. The key causes of the additional shortfall are:

- legacies are estimated at £512k which is £488k below budget:
- lottery *net* income is estimated to be £47k below budget and shops net income £54k below budget.
- Donations net of costs are expected to be £70k above budget.
- direct cost of service delivery £291k below budget

The effect of this, together with re-based five year plan (including the contingency draw-down) can be seen in the cash balance projection, below, with cash beginning to level around 2024-25:



## **Draft Budget 2020-21**

The budget is being detailed in readiness for the March Board meeting, but it will need to demonstrate a similar overall cash profile to the draft illustrated above.

## **IT**

5. The IT team have been extremely stretched as a number of projects are underway. These include:
  - The building of new servers continues and testing is now expected to be in March. The team are experiencing high demand for other projects and activities and this is impacting the timing. Additional consultant time will be required to complete, but it will remain below budget.
  - Hospice CCTV upgrade completed and shops CCTV upgrade completed except for shops to be refurbished in future.
  - Started the upgrade of all Windows 7 computers to Windows 10.
  - Crosscare reconfiguring the system is progressing well but is a significant and unplanned drain on resources.
  - Datix testing/configuring is delayed due to the work load.

## **Facilities**

- One member of the facilities team will be leaving with effect from March 25<sup>th</sup> 2020. The role will not be replaced.
- The team has taken on responsibility for the administration of the new Pool car (inducting, checking insurance and eligibility documents for all drivers). The booking system will be operated through the Community team.
- Quotes have been accepted for the re-decoration and re-carpeting of the Jubilee Centre in readiness for CPCT to move in. Data cabling, air conditioning and electrical preparation has been completed. Furniture has been selected and will be ordered shortly.

Nick Stevens

Director of Finance and Resources

12<sup>th</sup> February 2020

**St Raphael's Hospice**  
**Meeting of the Finance and Resources Sub-Committee**  
**To be held in St Bede's**  
**at 14:00 on 19<sup>th</sup> February 2020**

Members: Mr Joe Ryan (JR)– Chair  
 Mr Alan Cogbill (AC)  
 Mr Paul Holmes (PH)

In Attendance: Mr Mike Roycroft – Chief Executive Officer (MJR)  
 Mr Nick Stevens – Director of Finance and Resources (NS)  
 Mrs Neena Vadgama – Finance Manager (NV)  
 Mr Ed Cook – DoC (EC)

Apologies: Sr Kathleen O'Reilly

**Agenda**

| <b>Item</b> | <b>Description</b>  | <b>Purpose<sup>1</sup></b> | <b>Lead</b> |
|-------------|---|----------------------------|-------------|
| 1.          | Apologies for absence   | I                          | Chair       |
| 2.          | Review of Minutes and Matters Arising from last meeting   | D                          | Chair       |
| 3.          | Review of Director of Finance and Resources Report  | I                          | NS          |
| 4.          | Review of Financial Targets 2020-25   | D                          | NS          |
| 5.          | Bank Accounts <ul style="list-style-type: none"> <li>• Transfer to new entity</li> <li>• Signing authorisation under new staffing arrangements</li> </ul> | I                          | NS          |
| 6.          | Investments   | I                          | NS          |
| 7.          | Any Other Business  |                            |             |
| 8.          | Future Dates:<br>22 <sup>nd</sup> April 2020<br>17 <sup>th</sup> June 2020<br>19 <sup>th</sup> August 2020<br>21 <sup>st</sup> October 2020               | I                          | Chair       |

<sup>1</sup> Purpose: PIDS - Policy/ Information/ Decision/ Signoff

**St Raphael's Management Accounts 31 January 2020**

| Net Movement in Funds                              | YTD 2019-20        | Budget YTD 2018-9 | variance           | YTD Prior Year | Actuals 2018-9 | Forecast 2019-20 | Budget 2019-20   | Variance       | 2020-21            |
|--|--------------------|-------------------|--------------------|----------------|----------------|------------------|------------------|----------------|--------------------|
| Surplus/(Loss) from Operation                      | (1,150,432)        | 362,846           | (1,513,278)        | (479,501)      | (236,734)      | (1,580,699)      | 446,988          | (2,027,687)    | (163,047)          |
| Depreciation                                       | 193,776            | 246,147           | (52,370)           | 241,922        | 287,821        | 262,742          | 298,922          | (36,180)       | 320,686            |
| Decrease/(Increase) in Debtor                      | (62,984)           | (68,358)          | 5,374              | 553,474        | 353,401        | 55,351           | 5,295            | 50,056         | (152,367)          |
| (Decrease)/Increase in Creditors                   | 162,203            | 2,175,946         | (2,013,743)        | 7,490          | 83,655         | 3,846,971        | 1,836,604        | 2,010,367      | (1,386,454)        |
| <b>Net cash (expended)/generated by operations</b> | <b>(857,437)</b>   | <b>2,716,580</b>  | <b>(3,574,017)</b> | <b>323,384</b> | <b>488,142</b> | <b>2,584,366</b> | <b>2,587,809</b> | <b>(3,444)</b> | <b>(1,381,183)</b> |
| Purchase of Fixed Assets                           | (404,324)          | (664,124)         | 259,801            | (99,627)       | (138,619)      | (405,265)        | (664,124)        | 258,860        | (505,405)          |
| Increase / (Decrease) in Cash                      | <b>(1,261,761)</b> | <b>2,052,455</b>  | <b>(3,314,216)</b> | <b>223,757</b> | <b>349,523</b> | <b>2,179,101</b> | <b>1,923,685</b> | <b>255,416</b> | <b>(1,886,588)</b> |

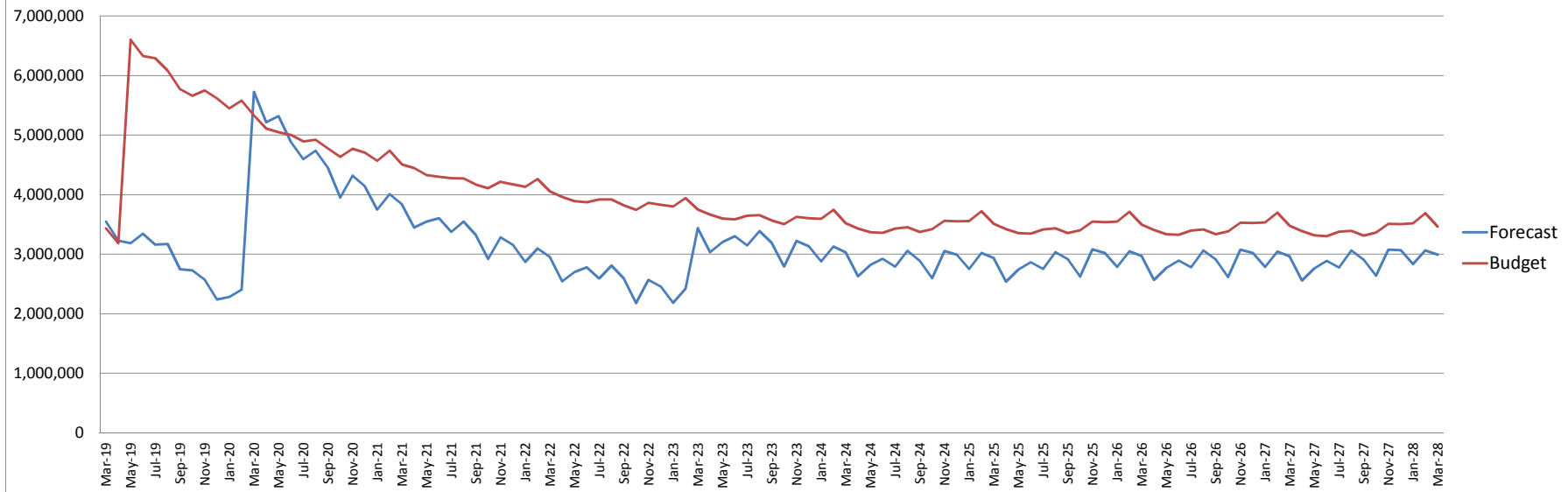
**St Raphael's Management Accounts 31 January 2020**

| Balance Sheet       | YTD 2019-20      | Budget YTD 2018-9 | variance           | YTD Prior Year   | Actuals 2018-9   | Forecast 2019-20 | Budget 2019-20   | Variance           | 2020-21          |
|---------------------|------------------|-------------------|--------------------|------------------|------------------|------------------|------------------|--------------------|------------------|
| Fixed Assets        | 4,274,195        | 4,478,961         | (204,766)          | 4,070,555        | 4,063,648        | 4,206,171        | 4,426,186        | (220,015)          | 4,390,890        |
| Debtors             | 634,862          | 625,139           | 9,722              | 356,708          | 556,781          | 516,527          | 551,486          | (34,960)           | 668,894          |
| <b>Cash at Bank</b> | <b>2,283,388</b> | <b>5,598,114</b>  | <b>(3,314,727)</b> | <b>3,419,383</b> | <b>3,545,149</b> | <b>5,723,949</b> | <b>5,469,343</b> | <b>254,606</b>     | <b>3,837,362</b> |
| Creditors           | (558,222)        | (2,556,869)       | 1,998,646          | (304,758)        | (380,923)        | (4,242,991)      | (2,217,527)      | (2,025,464)        | (2,856,993)      |
| <b>Net Assets</b>   | <b>6,634,223</b> | <b>8,145,346</b>  | <b>(1,511,123)</b> | <b>7,541,888</b> | <b>7,784,655</b> | <b>6,203,656</b> | <b>8,229,488</b> | <b>(2,025,832)</b> | <b>6,040,153</b> |

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**Cash Position Budget v Forecast to March 2028**



## SRH Detailed Income and Expenditure

31st January 2020

|   | Year To Date       | Budget             | Variance           | Prior Year         | Variance         |  |
|---|--------------------|--------------------|--------------------|--------------------|------------------|--|
| <b>NHS Grants</b>                       | <b>1,262,333</b>   | <b>1,242,913</b>   | <b>19,420</b>      | <b>1,263,025</b>   | <b>(692)</b>     | Prior Year included "other fees" from NHS that are shown separately here.  |
| <b>NHS Other Fees</b>                   | <b>29,709</b>      | <b>9,057</b>       | <b>20,652</b>      | <b>0</b>           | <b>29,709</b>    |  |
| <b>Hospice Grants</b>                   | <b>60,000</b>      | <b>41,667</b>      | <b>18,333</b>      | <b>0</b>           | <b>60,000</b>    | Grant received towards 2 years' work   |
| <b>Other income</b>                     | <b>23,316</b>      | <b>10,396</b>      | <b>12,920</b>      | <b>10,135</b>      | <b>13,181</b>    |  |
| <b>Investment Income</b>                | <b>16,678</b>      | <b>47,111</b>      | <b>(30,432)</b>    | <b>17,072</b>      | <b>(394)</b>     | Budget had assumed £3.6m received in June  |
| <b>Orangery Income</b>                  | <b>25,691</b>      | <b>29,193</b>      | <b>(3,501)</b>     | <b>27,803</b>      | <b>(2,111)</b>   |  |
| Staff Costs                             | (2,476,625)        | (2,614,570)        | <b>137,945</b>     | (2,293,118)        | (183,507)        |  |
| Training, Recruitment and subscriptions | (27,702)           | (54,129)           | <b>26,426</b>      | (21,379)           | (6,324)          |  |
| Food and Catering                       | (31,512)           | (35,443)           | <b>3,931</b>       | (33,837)           | 2,325            |  |
| Cleaning and Waste Disposal             | (24,161)           | (31,089)           | <b>6,928</b>       | (30,479)           | 6,318            |  |
| Travel and Motoring Expenses            | (16,001)           | (14,826)           | <b>(1,175)</b>     | (14,026)           | (1,975)          |  |
| Drugs, Dressings and Consumables        | (81,310)           | (110,711)          | <b>29,401</b>      | (108,540)          | 27,230           |  |
| Rates and Utilities                     | (59,999)           | (74,547)           | <b>14,548</b>      | (78,968)           | 18,969           |  |
| Repairs and Maintenance                 | (65,150)           | (85,520)           | <b>20,370</b>      | (96,229)           | 31,078           |  |
| Telephones, Postage, Stationery & IT    | (54,281)           | (22,444)           | <b>(31,836)</b>    | (15,817)           | (38,464)         | includes website costs, budgetted in fundraising marketing & telephones budgetted in IT                                    |
| Other Direct Costs                      | (38,123)           | (17,298)           | <b>(20,825)</b>    | (15,914)           | (22,209)         | Includes HR advice   |
| Depreciation                            | (176,547)          | (216,196)          | <b>39,649</b>      | (241,922)          | 65,374           | Projects delayed => depreciation delayed   |
| <b>Net Service Cost</b>                 | <b>(1,633,683)</b> | <b>(1,896,436)</b> | <b>262,753</b>     | <b>(1,632,193)</b> | <b>(1,491)</b>   |  |
| Staff Costs                             | (480,211)          | (632,197)          | <b>151,986</b>     | (468,285)          | (11,925)         | Non recruit of transformation team + Dir of Care charged to Hospice  |
| Training, Recruitment and subscriptions | (5,472)            | (33,194)           | <b>27,722</b>      | (9,540)            | 4,068            |  |
| Telephones, Postage, Stationery & IT    | (59,383)           | (58,091)           | <b>(1,292)</b>     | (66,589)           | 7,206            |  |
| Professional Services                   | (38,955)           | (67,157)           | <b>28,202</b>      | (71,071)           | 32,116           |  |
| Insurance                               | (17,403)           | (20,485)           | <b>3,081</b>       | (20,083)           | 2,680            |  |
| Other Costs                             | (37,955)           | (37,696)           | <b>(259)</b>       | (44,031)           | 6,076            |  |
| VAT                                     | (114,379)          | 38,000             | <b>(152,379)</b>   | 7,948              | (122,327)        | VAT now collated centrally - post independence it will largely be recoverable  |
| <b>Support Costs</b>                    | <b>(753,759)</b>   | <b>(810,819)</b>   | <b>57,060</b>      | <b>(671,652)</b>   | <b>(82,107)</b>  |  |
| <b>Legacies</b>                         | <b>397,468</b>     | <b>835,000</b>     | <b>(437,532)</b>   | <b>890,427</b>     | <b>(492,959)</b> | Very low legacy income   |
| <b>Donations</b>                        | <b>1,077,186</b>   | <b>1,089,691</b>   | <b>(12,505)</b>    | <b>1,005,215</b>   | <b>71,970</b>    |  |
| <b>Gift Aid</b>                         | <b>35,046</b>      | <b>24,095</b>      | <b>10,951</b>      | <b>23,169</b>      | <b>11,878</b>    |  |
| Staff Costs                             | (331,961)          | (400,936)          | <b>68,976</b>      | (267,240)          | (64,721)         | Delayed recruitment of additional fundraising roles  |
| Training, Recruitment and subscriptions | (4,327)            | (5,000)            | <b>673</b>         | (1,080)            | (3,247)          |  |
| Rent, Rates and Utilities               | (23,559)           | (22,637)           | <b>(922)</b>       | (28,193)           | 4,634            |  |
| Repairs and Maintenance                 | (8,103)            | (7,141)            | <b>(962)</b>       | (7,001)            | (1,102)          |  |
| Telephones, Postage, Stationery & IT    | (21,546)           | (30,934)           | <b>9,388</b>       | (30,327)           | 8,782            |  |
| Communications and Marketing            | (28,589)           | (55,898)           | <b>27,309</b>      | (52,841)           | 24,253           | Budget for website was included here   |
| Events                                  | (91,928)           | (85,637)           | <b>(6,291)</b>     | (61,246)           | (30,683)         | Includes £34k Nepal Trek and £27k Movies/Music in park   |
| Other Costs                             | (40,946)           | (61,849)           | <b>20,903</b>      | (37,761)           | (3,185)          |  |
| <b>Net Fundraising Contribution</b>     | <b>958,741</b>     | <b>1,278,753</b>   | <b>(320,011)</b>   | <b>1,433,121</b>   | <b>(474,380)</b> |  |
| <b>Lottery Income</b>                   | <b>389,736</b>     | <b>462,710</b>     | <b>(72,974)</b>    | <b>431,152</b>     | <b>(41,416)</b>  |  |
| Agency Staff                            | (770)              | (35,000)           | <b>34,230</b>      | (8,020)            | 7,250            | Agents paid for new recruits, but not recruiting Lennie and Lottie soft toys (£6k), printing raffle tickets, mailing costs |
| Printing, Postage and Marketing         | (28,228)           | (28,142)           | <b>(87)</b>        | (27,590)           | (638)            |  |
| Bank, Credit Card and Other Charges     | (18,189)           | (23,596)           | <b>5,407</b>       | (23,133)           | 4,944            |  |
| Lottery Prizes                          | (70,000)           | (70,000)           | <b>0</b>           | (70,500)           | 500              |  |
| Management Company Costs                | (26,839)           | (33,490)           | <b>6,651</b>       | (32,834)           | 5,994            |  |
| <b>Net Lottery Contribution</b>         | <b>245,710</b>     | <b>272,482</b>     | <b>(26,772)</b>    | <b>269,076</b>     | <b>(23,366)</b>  |  |
| <b>Shop Income</b>                      | <b>774,909</b>     | <b>865,066</b>     | <b>(90,157)</b>    | <b>818,794</b>     | <b>(43,885)</b>  |  |
| <b>Gift Aid</b>                         | <b>22,125</b>      | <b>54,067</b>      | <b>(31,942)</b>    | <b>23,136</b>      | <b>(1,011)</b>   |  |
| <b>Rent received</b>                    | <b>9,750</b>       | <b>0</b>           | <b>9,750</b>       | <b>9,750</b>       | <b>0</b>         |  |
| Staff Costs                             | (364,924)          | (407,268)          | <b>42,344</b>      | (362,775)          | (2,149)          | Staff costs 12% below plan, same as last year  |
| Training, Recruitment and subscriptions | (1,336)            | (2,000)            | <b>664</b>         | (709)              | (627)            |  |
| Consumables and Goods for Resale        | (19,281)           | (15,475)           | <b>(3,805)</b>     | (15,172)           | (4,109)          |  |
| Cleaning and Waste Disposal             | (26,633)           | (22,462)           | <b>(4,171)</b>     | (25,453)           | (1,180)          |  |
| Rent, Rates and Utilities               | (282,661)          | (267,583)          | <b>(15,078)</b>    | (252,981)          | (29,679)         | £18k from Cheam landlord for communal areas most repairs wrapped into refurbis   |
| Repairs and Maintenance                 | (7,076)            | (31,858)           | <b>24,782</b>      | (27,761)           | 20,684           | refurbis delayed => depreciation delayed   |
| Depreciation                            | (16,601)           | (29,951)           | <b>13,349</b>      | 0                  | (16,601)         |  |
| Telephones, Postage, Stationery & IT    | (18,175)           | (18,045)           | <b>(131)</b>       | (10,617)           | (7,558)          |  |
| Other Costs                             | (9,902)            | (12,397)           | <b>2,495</b>       | (12,154)           | 2,252            |  |
| Bank, credit card and cash collection   | (16,916)           | (18,855)           | <b>1,939</b>       | (18,485)           | 1,570            |  |
| Professional Services                   | (6,117)            | (5,934)            | <b>(183)</b>       | (3,367)            | (2,750)          |  |
| Insurance                               | (4,604)            | (8,439)            | <b>3,835</b>       | (7,273)            | 2,669            |  |
| <b>Net Shops Contribution</b>           | <b>32,559</b>      | <b>78,867</b>      | <b>(46,307)</b>    | <b>114,933</b>     | <b>(82,374)</b>  |  |
| <b>Net Shortfall before DoC funding</b> | <b>(1,150,432)</b> | <b>(1,077,154)</b> | <b>(73,278)</b>    | <b>(486,715)</b>   | <b>(663,717)</b> |  |
| <b>Other income</b>                     | <b>0</b>           | <b>1,440,000</b>   | <b>(1,440,000)</b> | <b>7,214</b>       | <b>(7,214)</b>   | Budget assumed DoC grant would have been received  |
| <b>Shortfall for period</b>             | <b>(1,150,432)</b> | <b>362,846</b>     | <b>(1,513,278)</b> | <b>(479,501)</b>   | <b>(670,931)</b> |  |

St Raphael's Hospice

Financial Targets

| Actual 2018-19 | Forecast 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|----------------|------------------|---------|---------|---------|---------|---------|
|----------------|------------------|---------|---------|---------|---------|---------|

Summary

| Target                                | Actual 2018-19 | Forecast 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|---------------------------------------|----------------|------------------|---------|---------|---------|---------|---------|
| Total Income Excl DoC                 | 5,485          | 4,865            | 5,780   | 6,338   | 7,052   | 7,714   | 8,184   |
| Total Cost                            | (6,044)        | (6,507)          | (7,374) | (7,448) | (7,871) | (8,317) | (8,527) |
| Shortfall for period before DoC Grant | (559)          | (1,642)          | (1,595) | (1,110) | (819)   | (603)   | (343)   |
| Income growth                         |                | -11%             | 18.8%   | 9.7%    | 11.3%   | 9.4%    | 6.1%    |
| Cost growth                           |                | 8%               | 13.3%   | 1.0%    | 5.7%    | 5.7%    | 2.5%    |

Donor Income

| Target                    | Actual 2018-19 | Forecast 2019-20 | 2020-21      | 2021-22      | 2022-23      | 2023-24      | 2024-25      |
|---------------------------|----------------|------------------|--------------|--------------|--------------|--------------|--------------|
| Other Donations           | 540            | 555              | 595          | 636          | 678          | 723          | 728          |
| Regular Donors            | 52             | 50               | 61           | 78           | 97           | 117          | 128          |
| In Memory                 | 246            | 279              | 307          | 337          | 371          | 408          | 439          |
| Support Groups            | 32             | 32               | 47           | 82           | 129          | 168          | 186          |
| Trusts                    | 194            | 200              | 219          | 258          | 314          | 350          | 372          |
| Corporates                | 33             | 20               | 35           | 71           | 123          | 155          | 173          |
| Events                    | 88             | 117              | 139          | 172          | 225          | 260          | 281          |
| <b>Total Donor Income</b> | <b>1,186</b>   | <b>1,252</b>     | <b>1,402</b> | <b>1,634</b> | <b>1,936</b> | <b>2,180</b> | <b>2,308</b> |
| Income growth             |                | 6%               | 12%          | 17%          | 18%          | 13%          | 6%           |

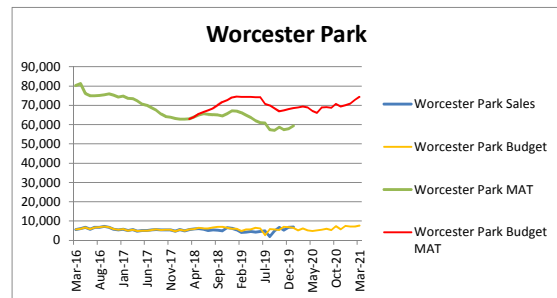
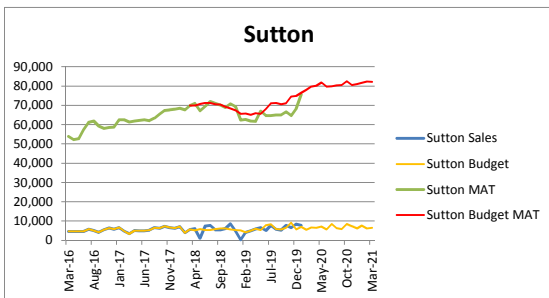
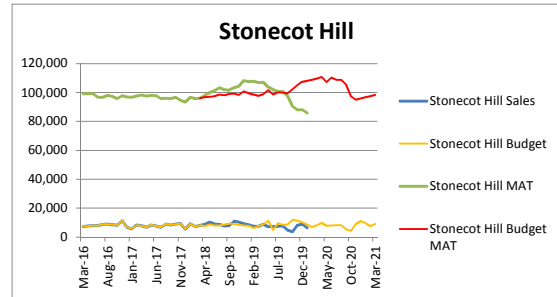
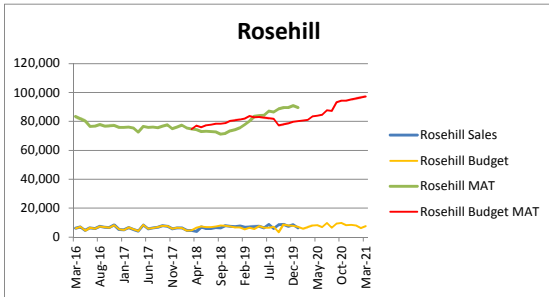
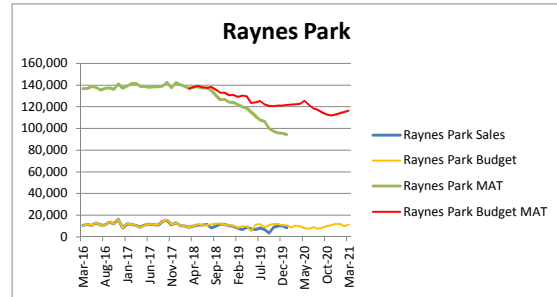
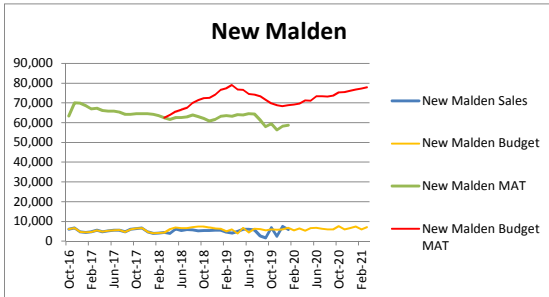
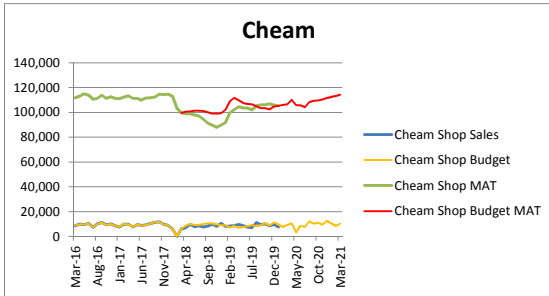
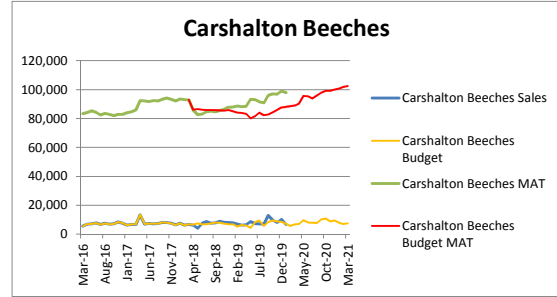
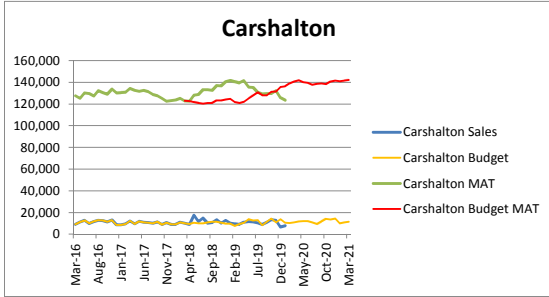
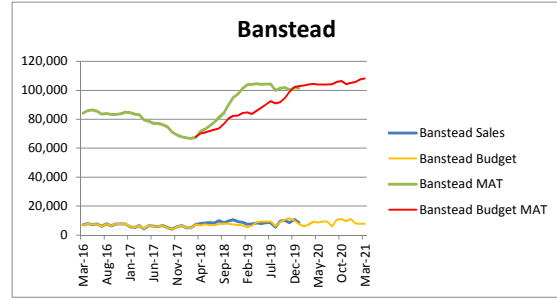
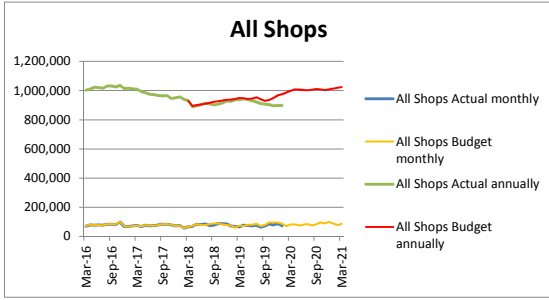
Shops

| Target               | Actual 2018-19 | Forecast 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 |
|----------------------|----------------|------------------|---------|---------|---------|---------|---------|
| <b>Current Shops</b> |                |                  |         |         |         |         |         |
| Number               | 11             | 10               | 10      | 10      | 10      | 10      | 10      |
| Sales                | 1,019          | 960              | 1,098   | 1,219   | 1,292   | 1,318   | 1,344   |
| Cost                 | (907)          | (961)            | (1,040) | (1,058) | (1,064) | (1,084) | (1,092) |
| Margin               | 112            | (1)              | 58      | 161     | 228     | 234     | 252     |
| <b>New Shops</b>     |                |                  |         |         |         |         |         |
| Number               |                |                  | 2       | 4       | 7       | 10      | 10      |
| Sales                |                |                  | 60      | 264     | 570     | 936     | 1,245   |
| Cost                 |                |                  | (143)   | (352)   | (651)   | (970)   | (1,069) |
| Margin               |                |                  | (83)    | (88)    | (81)    | (34)    | 176     |
| <b>All</b>           |                |                  |         |         |         |         |         |
| Number               | 11             | 10               | 12      | 14      | 17      | 20      | 20      |
| Sales                | 1,019          | 960              | 1,158   | 1,483   | 1,862   | 2,254   | 2,589   |
| Cost                 | (907)          | (961)            | (1,183) | (1,409) | (1,715) | (2,054) | (2,161) |
| Margin               | 112            | (1)              | (25)    | 73      | 147     | 200     | 429     |
| Income growth        |                | -5.8%            | 20.6%   | 28.1%   | 25.6%   | 21.1%   | 14.9%   |

Cash

|                                  |       |       |       |       |       |       |       |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|
| Target - original per EC summary | 0     | 5,287 | 4,460 | 4,008 | 3,702 | 3,471 | 3,459 |
| Target - Current draft summary   | 3,545 | 5,415 | 3,710 | 2,848 | 3,374 | 2,997 | 2,919 |
| Target - with DoC 2019-20 grant  | 3,545 | 5,715 | 4,016 | 3,160 | 3,692 | 3,322 | 3,250 |

St Raphael's Shop Sales MAT Graphs at 31 January 2020 (excluding Ewell)



| St Raphael's Management Account         | Year To Date       |                    |                    |                    | Full Year          |                    |                    |                    |                    |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | YTD 2019-20        | Budget YTD 2019-20 | variance           | YTD Prior Year     | Actuals 2018-9     | Forecast 2019-20   | Budget 2019-20     | Variance           | 2020-21            |
| Income from NHS                         | 1,292,042          | 1,251,970          | 40,072             | 1,263,025          | 1,515,281          | 1,551,297          | 1,507,913          | 43,384             | 1,557,494          |
| Other Income                            | 125,686            | 128,366            | (2,680)            | 55,010             | 77,492             | 134,243            | 154,258            | (20,014)           | 184,753            |
| Direct Cost of Services                 | (2,874,864)        | (3,060,576)        | 185,712            | (2,708,306)        | (3,247,386)        | (3,506,175)        | (3,682,053)        | 175,878            | (3,892,580)        |
| Hospice Depreciation                    | (176,547)          | (216,196)          | 39,649             | (241,922)          | (287,821)          | (214,576)          | (260,759)          | 46,184             | (260,610)          |
| <b>Net Service Cost</b>                 | <b>(1,633,683)</b> | <b>(1,896,436)</b> | <b>262,753</b>     | <b>(1,632,193)</b> | <b>(1,942,435)</b> | <b>(2,035,211)</b> | <b>(2,280,642)</b> | <b>245,430</b>     | <b>(2,410,942)</b> |
| Support Costs                           | (753,759)          | (810,819)          | 57,060             | (671,652)          | (816,663)          | (924,285)          | (969,431)          | 45,146             | (918,568)          |
| <b>Net cost of Service to be funded</b> | <b>(2,387,442)</b> | <b>(2,707,255)</b> | <b>319,813</b>     | <b>(2,303,845)</b> | <b>(2,759,098)</b> | <b>(2,959,497)</b> | <b>(3,250,072)</b> | <b>290,576</b>     | <b>(3,329,510)</b> |
| <b>Fundraising Activity</b>             |                    |                    |                    |                    |                    |                    |                    |                    |                    |
| Legacy Income                           | 397,468            | 835,000            | (437,532)          | 890,427            | 1,180,296          | 512,468            | 1,000,000          | (487,532)          | 1,000,000          |
| Donor Income                            | 1,112,232          | 1,113,786          | (1,554)            | 1,028,384          | 1,185,737          | 1,268,562          | 1,336,615          | (68,053)           | 1,402,480          |
| Fundraising Costs                       | (550,959)          | (670,033)          | 119,075            | (485,690)          | (591,764)          | (684,589)          | (822,979)          | 138,391            | (884,459)          |
|   | <b>958,741</b>     | <b>1,278,753</b>   | <b>(320,011)</b>   | <b>1,433,121</b>   | <b>1,774,269</b>   | <b>1,096,441</b>   | <b>1,513,636</b>   | <b>(417,194)</b>   | <b>1,518,020</b>   |
| Lottery Income                          | 389,736            | 462,710            | (72,974)           | 431,152            | 507,456            | 454,594            | 549,386            | (94,792)           | 509,959            |
| Lottery Costs                           | (144,026)          | (190,228)          | 46,202             | (162,076)          | (193,291)          | (177,673)          | (225,024)          | 47,352             | (238,581)          |
|   | <b>245,710</b>     | <b>272,482</b>     | <b>(26,772)</b>    | <b>269,076</b>     | <b>314,165</b>     | <b>276,922</b>     | <b>324,362</b>     | <b>(47,440)</b>    | <b>271,378</b>     |
| Shop Income                             | 806,784            | 919,132            | (112,348)          | 851,679            | 1,018,780          | 960,086            | 1,083,609          | (123,523)          | 1,157,655          |
| Shop Costs                              | (774,225)          | (840,266)          | 66,041             | (736,746)          | (907,064)          | (954,674)          | (1,024,546)        | 69,872             | (1,180,590)        |
|   | <b>32,559</b>      | <b>78,867</b>      | <b>(46,307)</b>    | <b>114,933</b>     | <b>111,716</b>     | <b>5,412</b>       | <b>59,063</b>      | <b>(53,651)</b>    | <b>(22,935)</b>    |
|   | 4%                 | 9%                 |                    | 13%                |                    |                    | 5%                 |                    | 2%                 |
| <b>Shortfall before DOC Funding</b>     | <b>(1,150,432)</b> | <b>(1,077,154)</b> | <b>(73,278)</b>    | <b>(486,715)</b>   | <b>(558,948)</b>   | <b>(1,580,721)</b> | <b>(1,353,012)</b> | <b>(227,709)</b>   | <b>(1,563,047)</b> |
| DOC Funding                             | 0                  | 1,440,000          | (1,440,000)        | 7,214              | 322,214            | 0                  | 1,800,000          | (1,800,000)        | 1,400,000          |
|   | <b>(1,150,432)</b> | <b>362,846</b>     | <b>(1,513,278)</b> | <b>(479,501)</b>   | <b>(236,734)</b>   | <b>(1,580,721)</b> | <b>446,988</b>     | <b>(2,027,709)</b> | <b>(163,047)</b>   |

|                             | YTD 2019-20        | Budget YTD 2018-9 | variance           | YTD Prior Year   | Actuals 2018-9   | Forecast 2019-20   | Budget 2019-20 | Variance           | 2020-21          |
|-----------------------------|--------------------|-------------------|--------------------|------------------|------------------|--------------------|----------------|--------------------|------------------|
| Total Income                | 4,123,948          | 6,150,964         | (2,027,016)        | 4,526,891        | 5,807,255        | 4,881,251          | 7,431,781      | (2,550,530)        | 7,212,341        |
| Total Cost                  | (5,274,380)        | (5,788,118)       | 513,738            | (5,006,392)      | (6,043,989)      | (6,461,972)        | (6,984,793)    | 522,821            | (7,375,388)      |
| <b>Shortfall for period</b> | <b>(1,150,432)</b> | <b>362,846</b>    | <b>(1,513,278)</b> | <b>(479,501)</b> | <b>(236,734)</b> | <b>(1,580,721)</b> | <b>446,988</b> | <b>(2,027,709)</b> | <b>(163,047)</b> |